



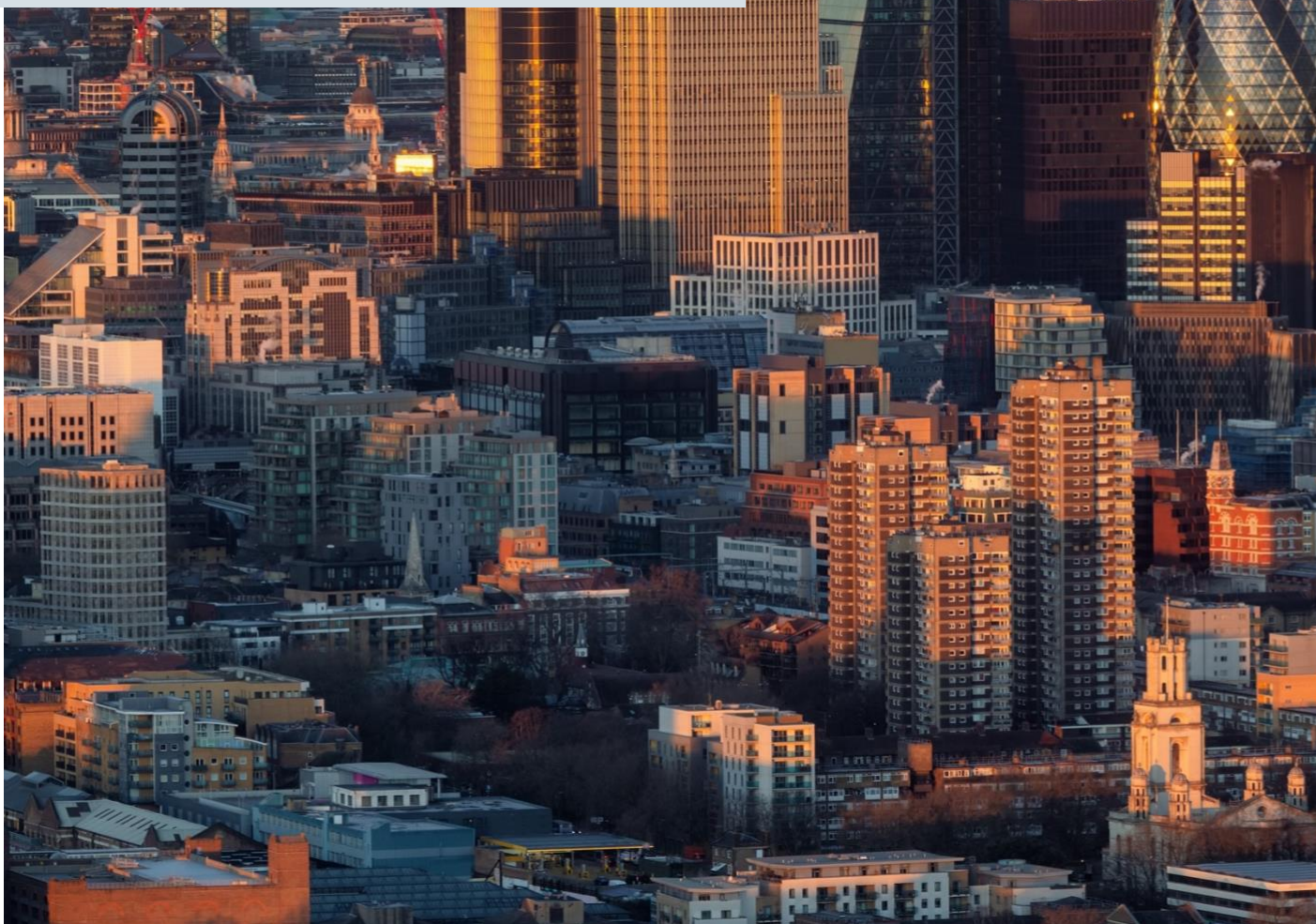
UK Government

UK-India

Free Trade Agreement and Impact
on Industrial Strategy Sectors



Alongside striking a comprehensive and ambitious deal with India, the UK has also recently launched the UK's Modern Industrial Strategy; a 10-year plan for national renewal designed to unlock our potential and kickstart an era of economic prosperity. The UK-India FTA supports this mission by unlocking new opportunities for the UK's high-potential and growth-driving sectors in one of the fastest growing major economies in the world.



ADVANCED MANUFACTURING

The UK excels in high-value and advanced manufacturing, while India has a developing manufacturing base – predicted to account for over 20% of their GDP by 2031¹.

The deal cuts tariffs for our businesses' exports in this sector, including on automobiles (reducing over 100% to 10% under a quota) as well as on aircraft, engines, and parts (a staged reduction from 7.5%). Many high-end optical products such as lenses and microscopes (currently 11%) will also have tariffs completely removed.

To reduce the time and cost of getting through customs, and aid the rapid release of goods, we have agreed to simplify the asks for data and documents and ensure information about procedures is easily accessible. Customs processes will be transparent and non-discriminatory, making exporting more straightforward. Advanced manufacturing companies will also benefit from the Intellectual Property chapter, which makes the patent process swifter and less punitive, and supports protection of trademarks, trade secrets, and designs.



Case study

Coltraco Ultrasonics

Coltraco Ultrasonics are high-exporting advanced manufacturers of ultrasonic instrumentation and systems, exporting 90% manufactured output to 120 countries. Coltraco have twice won the Queen's Award for Enterprise in International Trade and have exported to India for 30 years. Since 2019, Coltraco have won the contract for nearly 200 ships of the Indian Navy and Coast Guard and support in-service use and maintenance of their ultrasonic watertight integrity instrumentation on board.

Professor Carl Stephen Patrick Hunter OBE, Chairman Coltraco Ultrasonics Limited & Director-General The Durham Institute of Research, Development & Invention, said:

Coltraco Ultrasonics is strongly supportive of the India FTA Trade Agreement and proud to have modestly contributed to and advising the British negotiating team on various chapters.

The UK private sector can now, because of the India FTA, the Windsor Framework CPTPP, and a variety of other UK FTAs, look out to the world, balancing our exporting and investment opportunities between the USA, the EU and Asia Pacific.

It is a tremendous success and we thank British and Indian Civil Servants for their public service in the UK-India FTA.

¹ India Economic Boom: 2031 Growth Outlook, Morgan Stanley

CLEAN ENERGY INDUSTRIES

India's green sector is growing rapidly, underpinned by an ambitious renewable energy agenda and Net Zero target (2070). The UK's expertise in offshore wind, green finance, and energy systems will support this drive for clean technology.

The deal commits both sides to work together to support development, uptake, and distribution of green technologies in clean energy industries. It will make it easier to exchange ideas on commercial applications for new technologies in priority sectors, including clean energy.

The agreement also supports new opportunities for environmental goods and services businesses, with a commitment to promote trade in these areas. It is designed to encourage a stronger green economy in both the UK and India and increase export opportunities in the sector.

Alongside this, we have secured tariff liberalisation on a range of green products, such as turbines, which will help support greater trade in environmental products.

Thanks to the deal, UK businesses will - for the first time ever - be able to bid for procurement in India, with access to tenders worth £38 billion. It will make sure relevant processes in both countries are fair, open, and transparent.

Case study

Concrete Canvas Ltd

Concrete Canvas Ltd is a Wales-based low-carbon concrete manufacturer.

William Crawford, Director of Concrete Canvas Ltd, said:

India is a dynamic and vibrant economy and an increasingly important market for Concrete Canvas products. A UK-India FTA will help to accelerate our plans for growth by reducing trade barriers and making us more competitive.

This is welcome news for both UK and Indian businesses!



CREATIVE INDUSTRIES

The UK's creative industries are globally recognised as world-leading innovators, consistently setting international trends and commanding respect for artistic excellence, commercial success, and cultural influence worldwide. As a country of 1.4 billion with a growing entertainment industry, India represents a major opportunity.

This deal will unlock opportunities for UK creatives, giving them the confidence to win new audiences by providing stronger assurances around their intellectual property (IP). India have committed to engaging on aspects of Copyright and Related Rights – including on artists' royalties when their work is resold. In addition, India have also agreed to lock in copyright protection for a minimum of 60 years. This deal also includes India's first agreement on enforcement in digital spaces, designed to support digital content, and opens up new avenues to help pursue equal protections for UK artists in India.

Alongside this, the trade deal also promotes greater co-operation and engagement on industry-defining technologies, such as artificial intelligence. This greater co-operation will support creative companies who are innovating as they expand.



Case study

Premier League

The Premier League is the world's most-watched football competition, reaching 1.6 billion viewers in 189 countries around the world. The global success of the Premier League makes it one of the UK's most significant soft power assets, amplifying British cultural values and generating economic growth and inward investment.

Premier League Chief Executive Richard Masters said:

India continues to be incredibly important to the Premier League and our clubs. It is a vibrant country that presents exciting opportunities and significant potential. The opening of our office in Mumbai earlier this year was a significant milestone for the Premier League, demonstrating our commitment to build on longstanding work to engage local fans, develop grassroots and elite football and further promote the game in India.

The continued growth of the Premier League and UK businesses in India will have a positive impact on our domestic economy. We welcome the signing of this new trade deal which will support UK businesses operating in India.

FINANCIAL SERVICES

London's global financial centre is ideally positioned to support India's growing financial market. UK firms can provide world-leading expertise in areas like investment banking, fintech, and insurance, while Indian firms can access global capital markets through London.

The FTA contains India's first ever dedicated Financial Services (FS) chapter and includes bespoke commitments to provide long-term certainty over access to the Indian FS market for UK companies, currently valued at £13.6bn with projected growth to £19.3bn by 2035².

The deal will cement UK FS companies' access to clients in India, supporting their long-term competitiveness and stability. Its provisions will unlock new opportunities for businesses and consumers across the UK.

This deal will include new rules to ensure UK firms are treated fairly when providing services in India's market. It will also include comprehensive transparency commitments dictating that India's rules and practices for the authorisation of UK FS firms must be fair and transparent, and that regulatory measures are administered in a reasonable, objective and impartial manner. India have also committed to administering and implementing measures in a reasonable, objective and impartial way, and, where possible, allowing for consultation on domestic changes.



Case study

Standard Chartered

Standard Chartered is a leading UK-based international banking group with a presence in 53 of the world's most dynamic markets. It is the largest and oldest foreign bank in India, acting as a 'super connector' of cross-border trade and investment by driving commerce and prosperity through its unique diversity for more than 165 years.

Saif Malik, CEO, UK and Head of Coverage, UK, Standard Chartered, said:

The UK-India Free Trade Agreement is a significant achievement. It will create new opportunities for UK and Indian businesses, enable greater access to one of the world's largest and most dynamic markets, and drive growth and innovation across the UK-India corridor.

We welcome this strong commitment to partnership and prosperity.

² [India Bank Equity Fund](#)



DIGITAL AND TECHNOLOGY

The UK's formidable strengths in AI, fintech, and cybersecurity dovetail with India's renowned software development capabilities and blossoming digital economy. UK tech firms can provide advanced technologies and innovation, while Indian IT companies can gain expertise in emerging technologies.

We have secured India's first ever Telecoms chapter, which will provide British suppliers with access to India's large and growing markets, and guarantees they can access the facilities, networks, and services of India's operators on a level playing field. In addition, India have committed to keeping licensing processes transparent, making it easier for UK companies as they enter the market.

The IP chapter will help cut red tape, speed up processes, and lock in commitments that provide transparency and legal certainty for patents.

The Digital chapter of the agreement will cut red tape for businesses, including SMEs, by supporting electronic contracts and transactions. It will also drive innovation and support emerging technologies through UK-India collaboration, including in areas such as artificial intelligence. Alongside this, we have secured new commitments to protect the forced transfer of source code, reducing the risks of expansion and encouraging innovation.

Our future-focused Innovation chapter will establish a new framework to foster cooperation in areas like future regulatory approaches, the commercialisation of new technologies and supply chain resilience.

LIFE SCIENCES

The UK's world-leading medical technology industry stands to benefit significantly from this FTA, as a hub for leading medtech SMEs. Abolition of tariffs on medical devices will create new routes for UK firms into India's vast and rapidly growing market.

We have reduced tariffs on medical and med-tech devices, including on products like X-rays that had previously faced import duties as high as 13.75%.

We have included new measures to provide flexibility and support for exporters on labelling requirements, which will make it easier for them to manage their supply chains. These benefits, alongside clearer and simpler customs procedures, will make it even easier for UK medical businesses to export with confidence and tap into the rapidly expanding Indian market.

Case study

Smith+Nephew

Smith+Nephew designs and manufactures technology that takes the limits off living. Smith+Nephew's products include: Advanced Wound Management; orthopaedics and a robot assisted surgery system; and joint preservation and soft tissue orthopaedics.

Deepak Nath, Chief Executive Officer, Smith+Nephew, said:

Given the size of the Indian economy and its healthcare system, India is an important location for Smith+Nephew. The Free Trade Agreement offers the potential to build trading links in the healthcare sector.

We hope that the Free Trade Agreement will enable Smith+Nephew's innovative medical technologies to support more healthcare professionals to return their patients to health and mobility.





PROFESSIONAL AND BUSINESS SERVICES

The UK's strengths in services such as accounting and consulting, and in emerging technology, perfectly complement India's growing commercial presence in services sectors. UK firms can provide global expertise to Indian businesses, while Indian companies offer cost-effective back-office support and technical talent. The UK exported approximately £1.2bn of business services to India in 2023 and this deal can help boost our services exports to India further³.

This deal will provide guarantees that UK service suppliers to ensure that they can trade without facing unnecessary barriers. UK businesses will receive the same treatment as India's domestic suppliers.

The UK and India have agreed to encourage relevant bodies in both countries to negotiate mutual agreements or recognition of professional qualifications. These arrangements can save UK professionals administration, time, and costs, and provide certainty to businesses who want to operate abroad. This helps liberalise trade and supports the UK's economic growth.

Case study

EY

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fuelled by sector insights, a globally connected, multidisciplinary network and a diverse ecosystem of partners, EY teams provide services in more than 150 countries and territories.

Rohan Malik, EMEIA and UKI Government & Public Sector Managing Partner, EY, said:

Over the past decade, total trade value between the UK and India has more than doubled from £16.6bn to £40bn and this agreement will further strengthen the flourishing economic relationship between the two countries.

Enhanced access to one of the world's largest markets should offer considerable advantages for financial and professional services businesses, unlocking commercial opportunities and supporting growth across two strategically significant sectors of the UK economy.

³ Trade in Services by service type and partner country 2023 Non-Seasonally Adjusted, Current Prices. PBS defined as 'Other Business Services'.



UK Government

Department for Business and Trade

The UK's Department for Business and Trade is an economic growth department. We ensure fair, competitive markets at home, secure access to new markets abroad and support businesses to invest, export and grow. Our priorities are the Industrial Strategy, Make Work Pay, the Trade Strategy and the Plan for Small Business.

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